



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: April 4, 2024
MOAHR Docket No.: 24-000671
Agency No.: [REDACTED]
Petitioner: [REDACTED] [REDACTED]

ADMINISTRATIVE LAW JUDGE: Colleen Lack

HEARING DECISION

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on March 5, 2024, from Lansing, Michigan. [REDACTED] [REDACTED] the Petitioner appeared on her own behalf. The Department of Health and Human Services (Department) was represented by Lori Turner, Eligibility Specialist (ES).

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-15.

ISSUE

Did the Department properly determine Petitioner's household's eligibility for Medical Assistance (MA)?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner has a household of six including her husband, three children that are in college, and one child that is a minor. (Petitioner Testimony)
2. On October [REDACTED] 2023, Petitioner applied for MA. (ES Testimony)
3. On November [REDACTED] 2023, a Health Care Coverage Determination Notice was issued to Petitioner stating: RR (Petitioner's spouse) was eligible for full coverage MA for October 1, 2023 and ongoing; Petitioner was eligible for limited coverage Plan First MA, then would have a monthly deductible of \$[REDACTED] for full coverage MA

effective December 1, 2023; household members MR, AR, and LR, were only eligible for limited coverage Plan First MA effective December 1, 2023; and household member AR was eligible for full coverage MA under the MI Child category effective December 1, 2023. (Exhibit A, pp. 8-14)

4. On January 9, 2024, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 3-5)

CONCLUSIONS OF LAW

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The Medicaid program comprise several sub-programs or categories. BEM 105, October 1, 2023, p. 1.

Plan First MA is a MAGI-related limited coverage Medicaid group available to any United States citizen or individual with an immigration status entitling them to full Medicaid coverage residing in Michigan. The fiscal group's net income cannot exceed 195 percent of the federal poverty level. BEM 124, July 1, 2023, p. 1.

Healthy Michigan Plan (MA-HMP) is based on Modified Adjusted Gross Income (MAGI) methodology. The MA-HMP provides health care coverage for individuals who: are 19-64 years of age; do not qualify for or are not enrolled in Medicare; do not qualify for or are not enrolled in other Medicaid programs; are not pregnant at the time of application; meet Michigan residency requirements; meet Medicaid citizenship requirements; and have income at or below 133 percent Federal Poverty Level (FPL). BEM 137, January 1, 2024, p. 1.

To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MIChild, Flint Water Group and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 105, October 1, 2023, p. 1.

In general, the terms Group 1 and Group 2 relate to financial eligibility factors. For Group 1, net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. The income limit, which varies by category, is for nonmedical needs such as food and shelter. Medical expenses are not used when determining eligibility for MAGI-related and SSI-related Group 1 categories. For Group 2, eligibility is possible even when net income exceeds the income limit. This is because incurred medical expenses are used when determining eligibility for Group 2 categories. Group 2 categories are considered a limited benefit as a deductible is possible. BEM 105, October 1, 2023, p. 1.

Medicaid eligibility is determined on a calendar month basis. Unless policy specifies otherwise, circumstances that existed, or are expected to exist, during the calendar month being tested are used to determine eligibility for that month. When determining eligibility for a future month, assume circumstances as of the processing date will continue unchanged unless you have information that indicates otherwise. BEM 105, January 1, 2024, p. 2. This is consistent with 42 CFR § 435.603(h), which states that financial eligibility for Medicaid for applicants must be based on current monthly household income and family size.

Group 2 Caretaker Relative is a non-MAGI MA category. BEM 105, October 1, 2023, p. 1. When a dependent child lives with both parents, both parents may be caretaker relatives. BEM 135, October 1, 2025, p. 1.

In this case, the November ■ 2023, Health Care Coverage Determination Notice stated: RR (Petitioner's spouse) was eligible for full coverage MA for October 1, 2023 and ongoing; Petitioner was eligible for limited coverage Plan First MA, then would have a monthly deductible of \$■ for full coverage MA effective December 1, 2023; household members MR, AR, and LR, were only eligible for limited coverage Plan First MA effective December 1, 2023; and household member AR was eligible for full coverage MA under the MI Child category effective December 1, 2023. (Exhibit A, pp. 8-14). However, the testimony of the ES indicted Petitioner's spouse only has limited coverage Plan First MA. A subsequent Health Care Coverage Determination Notice was issued on or about November ■ 2023. (ES Testimony).

The Department has not presented sufficient evidence to review the MA eligibility determinations for Petitioner's household. If multiple notices of case action were issued within the 90 days prior to the date the hearing request was filed, all of them should have been included in the Hearing Summary packet. Pursuant to the November ■ 2023 notice, Petitioner was approved for MA with a deductible, however, a copy of the MA budget showing how the deductible was calculated was not included in the hearing summary packet. It was also unclear why, as indicated on the November ■ 2023 notice, Petitioner's spouse was found eligible for full coverage MA and Petitioner had a deductible, or why the effective date for his MA coverage was different. The hearing summary packet also did not contain any documentation of the information Petitioner provided to the Department that was relied upon, such as an application/redetermination form and any verifications that were submitted.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined MA eligibility for Petitioner's household.

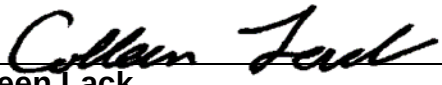
DECISION AND ORDER

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Redetermine MA eligibility for Petitioner's household as of October 1, 2023 (the earliest effective date from the November ■ 2023 Health Care Coverage Determination Notice) in accordance with Department policy.

CL/dm



Colleen Lack
Administrative Law Judge

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

Via-Electronic Mail :

DHHS
Tara Roland 82-17
Wayne-Greenfield/Joy-DHHS
MDHHS-Wayne-17-
hearings@michigan.gov

SchaeferM

EQADHearings

BSC4HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]